

said merchant is less than or equal to said predetermined denominational value associated with said card;

verifying said card by transmitting with said electronic means said indicia of identification and the amount of said transactional payment by said consumer to said merchant, ~~from said merchant to a card issuing authority;~~

issuing with said electronic means an approval code from said card issuing authority to said merchant;

completing said transaction ~~by~~ with said merchant ~~by~~ providing said goods or services to said ~~merchant~~ consumer; and

transferring funds from said card issuing authority to said merchant in the amount of said transactional payment from said consumer to said merchant.

2. (Original) The invention in accordance with claim 1 wherein said merchant has a Web site and said transaction takes place through said merchant's web site.
3. (Amended) The invention in accordance with claim 1 wherein said step of verifying said card by transmitting with said electronic means said indicia of identification ~~from said merchant to a card issuing authority~~ and said step of issuing with said electronic means an approval code from said card issuing authority to said merchant, further ~~comprising~~ first transmitting said indicia of identification and the amount of said transactional payment from said consumer to said merchant, ~~from said merchant to a~~ said merchant's acquiring bank and then to said card issuing authority, and then issuing an approval code

from said card issuing authority to said merchant's acquiring bank and then to said merchant.

4. (Amended) The invention in accordance with claim 3 wherein said step of transferring funds from said card issuing authority to said merchant in the amount of said transactional payment from said consumer to said merchant, further comprises first transferring said transactional payment from said consumer to said ~~merchant to said~~ merchant's acquiring bank and then to said merchant.

5. (Amended) The invention in accordance with claim 1 further comprising the step of deducting the amount of said payment from said consumer to said merchant, from said predetermined denominational value of said card upon issuing said approval code.